



In addition to the issues laid out by Professor Steve Thomas, we wish to add the following remarks.

### **1. Funding**

It was helpful to clarify that the Applicant “mispoke” about the expectation of a government decision on the RAB model within the timeframe of the Examination.

It was also helpful that, since Deadline 3, EDF’s January to June Financial report has confirmed the comments we reported by Sizewell C’s Safety, Licencing and Assurance Director, Mike Lavelle, to a meeting of the Whitehall Group on 27 May, that the FID could be made in early 2023. However we were disturbed by the Applicant’s failure to acknowledge verbally that any delay would impact the schedule of the project, and a seemingly dogged insistence that FID would happen in 2022. Why would EDF’s financial report or Mr Lavelle bother to mention 2023 if there was such strong confidence that the FID would be in 2022? The current phasing schedule (v2, May 2020) includes pre-commencement and enabling works in late 2022, which may no longer be possible, yet the Applicant appeared to be resistant to the idea of updating this.

We look forward to the Applicant’s response to your question CA.2.6 relating to whether the quoted comment made by EDF CEO Simone Rossi to Reuters’ Global Energy Transition conference confirms that there is no “Plan B” in the event the government did not advance with the legislation for the RAB model.

We also look forward to the Applicant’s response to our queries about whether the predicted cost and/or contingencies include the potential for multiple adaptive approaches to the sea defences and price rises in construction materials? (CA.2.8)

In terms of the overall cost of Sizewell C, we find it very surprising that there is no “new figure” (to quote Joe Rippon) at this stage, after many months since the DCO was revised and given the new proposals for a water desalination plant. We do not accept that “commercial sensitivities” should prevent or restrict such information from being disclosed. Firstly the building of giga watt reactors is hardly a crowded (and certainly not a competitive) market, and secondly if the government is to propose a Regulated Asset Base it will be essential to know the cost so that consumers’ contributions can be calculated. Given the controversial nature of this model, this should be a totally transparent process and we hope

the Examining Authority will press for an update in a timely fashion so that there is sufficient time for Interested Parties to comment prior to the end of the examination.

## **2. CO2 and Climate Change**

We regret that there was no opportunity to discuss these issues at the Issue Specific Hearing, especially given the outstanding questions, including how the Applicant's estimation of the carbon footprint of the build appears - after increasing almost 10% from 5.7Mt to 6.2Mt CO<sub>2</sub>(e) - to have suddenly dropped 40% to around 3.8Mt, and the likely impact of the water desalination plant. We want to express our appreciation for the other questions the ExA has posed to the Applicant in response to our evidence.

In concluding, we wish to emphasise that there is still a significant amount that is critical to the success of this project that remains outside of the Applicant's control, and which therefore represents considerable risk.

These are not just those conditions identified by EDF in its financial report, and already shared i.e.:

- operational control of the Hinkley Point C project,
- the definition of an appropriate regulatory and financing framework
- the existence of sufficient investors and financiers interested in the project.

This list should be supplemented to include:

- “the *implementation* of an appropriate regulatory and financing framework”, since simply defining such a framework is of no use unless it can be used.
- The successful operation of the Taishan EPR reactors, since these are the only operating examples of this kind of reactor, and yet so much is unknown about the reasons for the deterioration of the fuel rod sealing after a short time.
- Geopolitical risk. Given that further UK funds (Nest Pensions and the owners of Standard Life and Sun Life) have ruled themselves out of Sizewell C, the Applicant may be forced to look overseas for investors, making the project susceptible to geopolitical changes, as evidenced by the recent news coverage concerning China General Nuclear' future role.

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